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# High-level event on the Millennium Development Goals 25 September 2008

## Committing to action: achieving the Millennium Development Goals

### Background note by the Secretary-General*

* The present note should be read in conjunction with *Achieving Millennium Development Goals in Africa: Recommendations of the MDG Africa Steering Group*; A/63/130; *Delivering on the Global Partnership for Achieving the Millennium Development Goals: Report of the MDG Gap Task Force*; and the *Millennium Development Goals Report 2008*.

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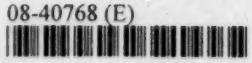

**High-level event on the Millennium Development Goals**
United Nations Headquarters, 25 September 2008

# Committing to action: achieving the Millennium Development Goals

## Background note by the Secretary-General

## Introduction

1. Eradicating extreme poverty continues to be one of the main challenges of our time, and is a major concern of the international community. Ending this scourge will require the combined efforts of all, governments, civil society organizations and the private sector, in the context of a stronger and more effective global partnership for development. The Millennium Development Goals set time-bound targets, by which progress in reducing income poverty, hunger, disease, lack of adequate shelter and exclusion — while promoting gender equality, health, education and environmental sustainability — can be measured. They also embody basic human rights — the rights of each person on the planet to health, education, shelter and security. The Goals are ambitious but feasible and, together with the comprehensive United Nations development agenda, set the course for the world's efforts to alleviate extreme poverty by 2015.

2. There has been real progress made towards achieving some of the Goals, even in regions where the challenges are greatest. A number of recent successes across the developing world — including improved macroeconomic indicators, expansion of AIDS treatment and increased agricultural productivity, school enrolment and access to water and sanitation — demonstrate that rapid progress is possible when sound national policies are matched with increased official development assistance (ODA) and technical support from the international system. The accomplishments made testify to the unprecedented degree of commitment by developing countries and their partners to the United Nations Millennium Declaration, and the growing success in building and strengthening the global partnership for development.

3. At midpoint towards 2015, the achievement of the Millennium Development Goals has been uneven, and we face nothing less than a development emergency. While many developing countries are on track to achieving a few of the Goals, large disparities persist across and within countries. On current trends, no African country is likely to achieve all of the Goals. Countries emerging from conflict or facing political instability pose particular challenges. In middle-income countries, even where progress towards achieving the Goals is most rapid, large pockets of inequality mean that millions of people continue to live in extreme poverty. This situation requires effective and immediate responses from governments, the international community and the private sector. Our sense of urgency is only heightened by the recent and dramatic spikes in food and fuel prices, and the increasing challenge of climate change, particularly for developing countries.

4. The High-level Event on the Millennium Development Goals to be held on 25 September 2008 will gather together world leaders to discuss and translate new and existing commitments into decisive and timely action to ensure that all countries

can achieve the Millennium Development Goals. It is my firm hope that we will be able to look back on this day as the moment when the world got back on track to reaching the Goals. The Event will send a strong message, from the highest political level ahead of the Follow-up International Conference on Financing for Development to be held in Doha from 29 November to 2 December 2008, that Governments are ready and willing to strengthen the global partnership for development in support of the Millennium Development Goals and other internationally agreed development goals.

5. The present background note contains a concise analysis of the critical areas in which action is needed to ensure we reach the Millennium Development Goals by 2015. It takes stock of the fundamental challenges we face in each area, and identifies a number of priority points of action against which voluntary commitments can be built to bring efforts to achieve the Goals back on track. The common and fundamental thread running through the note is that achieving the Goals represents a global challenge which requires all nations to collaborate in developing and implementing a shared strategy to create enduring social and economic development for all.

6. The present note reflects the elements of a shared strategy that has been articulated in the outcomes of United Nations conferences and summit meetings and further elaborated and operationalized in country-owned national development strategies. In addition, the MDG Africa Steering Group recently brought together a cross-section of multilateral organizations to reach a landmark understanding on a comprehensive set of operational recommendations for the achievement of the Millennium Development Goals in Africa, within the framework of existing resource commitments. It is important to build upon such recommendations to achieve the Goals at the global level.

7. The High-level Event provides an important and timely forum for world leaders and all stakeholders to reaffirm their shared view of what needs to be done by the international community, civil society organizations and the private sector to achieve the Millennium Development Goals. The present note is organized in five sections, reflecting the three round-table meetings planned for the High-level Event and the two cross-cutting themes that inform all of our efforts to achieve the Goals. Each section is structured to provide an assessment of where we stand with respect to the main Millennium Development Goal targets and other development goals, followed by an account of the progress achieved so far and, finally, a list of concrete actions which demand urgent consideration by all stakeholders as we look towards 25 September 2008. This list is not meant to be exhaustive but is intended rather to catalyse tangible progress.

# I. Poverty and hunger

8. The universal goal of eradicating extreme poverty continues to be a major focus of countries, development partners and civil society organizations, whose combined efforts are making an impact on the incidence and depth of poverty. Yet, while the number of people living in extreme poverty continues to decline globally, success masks slow and uneven progress in some countries, including much of sub-Saharan Africa. Indeed, it now appears that several countries may not be on track to meet the Millennium Development Goal target of halving poverty relative to

the 1990 level by 2015. Moreover, global progress in empowering women and affording them equal access to full and productive employment and economic resources has been modest. Unless women can achieve their full economic potential, they will continue to be disproportionately afflicted by poverty, especially when they are heads of household.

9. Even though the proportion of people in the world suffering from malnutrition and hunger has fallen since the early 1990s, the number of people with insufficient access to food has risen. Most of the poor in developing countries are net food buyers. With the increase in food prices, about 1 billion people go hungry, while at least another estimated 2 billion are undernourished. The food price spikes are believed to have pushed over 100 million more people into extreme poverty. This has made it even more difficult to reach the Millennium Development Goal target of halving the proportion of people suffering from hunger between 1990 and 2015. The decrease in child malnutrition has also been slow; the proportion of children in the developing world who are underweight decreased from 33 to 27 per cent between 1990 and 2005, well short of the target of reducing by half the percentage in 1990. Currently, about 143 million children under 5 years of age in the developing countries suffer from malnutrition, which exacerbates the impact of disease and reduces their health and education potential.

10. This situation demands urgent and decisive action. Countries need to continue to promote sustained, pro-poor growth strategies, maintain macroeconomic stability and enhance agricultural productivity in an environmentally sustainable manner, particularly in developing countries. The promotion of good governance and strong and accountable institutions is also essential, as are strengthened global partnerships to secure and accelerate progress towards Millennium Development Goal 1 (see sect. V below). In addition to these measures, rising food prices underscore the need for well-designed safety nets for the worst affected.

11. Various factors have contributed to the spikes in prices of basic grains and vegetable oils over the past year. The present crisis in global food security has revealed the collective neglect of food agriculture in developing countries from the eighties, causing a significant deceleration in agricultural productivity growth since then. The crisis calls for a coordinated comprehensive response, encompassing emergency assistance and urgent action to address short-term and longer-term issues:

(a) In order to provide emergency food assistance, adequate aid flows have to be made available to support the World Food Programme and other food aid programmes. International aid agencies and donors must boost food aid and also support other social protection measures in poor countries, such as school feeding programmes and conditional cash transfers, while taking into account the special needs of infants and pregnant and lactating women. Countries may also wish to consider ways to improve food security through cooperative solutions, such as regional grain security systems;

(b) Further analysis is needed of the relationship between the increasing use of biofuels and the rise in food prices. One concern is that agricultural production may be shifting towards the more profitable biofuel inputs. The trade-offs between the benefits of biofuel production and the negative effects in the food market must be assessed to develop a strategy for the sustainable production of biofuels;

(c) Increasing food productivity in the developing world, where much of the production takes place on smallholder farms, requires the taking of several steps that will have immediate effects. It is essential to improve agricultural credit, insurance, input and product markets. Countries may also wish to consider well-targeted programmes for making inputs, such as improved seeds, fertilizers and pesticides, available at affordable prices with the aim of stimulating production;

(d) These measures must be supported by strengthened extension systems, better small-scale water management practices and rural seed banks. In addition, it is important to secure ownership of land among the poor and ensure that they have access to resources and benefit proportionately from productivity increases. Such support must also ensure that landless rural workers, especially women, gain from productivity improvements, with particular attention given to women's access to land, decision-making in rural development, social security, education and health care, including reproductive health. Some of these measures will require enhanced aid for agriculture from donor countries;

(e) No less critical are measures that will only begin to show results in the medium and longer term. Accelerated investments in the research, development and adoption of yield-enhancing technologies will be needed to sustain increases in food production. The Consultative Group on International Agricultural Research and its centres should be much better financed and reinvigorated. Such investments must also take into account the need to adapt to climate change, which threatens the long-term sustainability of progress towards achieving the Millennium Development Goals. Massive and sustained support is urgently needed from donors and philanthropic and other civil society organizations to carry out this plan of action.

12. Apart from the measures to produce more food, we need to ensure that the poor earn enough to buy it. Agriculture is the main livelihood for an estimated 86 per cent of the rural population, and provides jobs for an estimated 1.3 billion smallholders and landless workers. Steps must be taken to provide the rural poor with opportunities for pursuing sustainable livelihoods in this sector. It is critical to link rural areas to local, regional and global markets through a reliable transport and communications network. This must be accompanied by the creation of entrepreneurial and employment opportunities. The Doha Round of trade negotiations must ensure adequate preferential market access for poor countries, and the Aid for Trade initiative should assist countries to strengthen their productive and trading capacities, and compensate them for lost revenue and income. Accelerating the implementation of the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries will also facilitate the integration of the least developed countries into the multilateral trading system by increasing their access to funds under Aid for Trade.

13. To tackle the food crisis in a comprehensive manner, the high-level United Nations Task Force on the Global Food Security Crisis has developed a comprehensive framework for action which outlines the critical short and long-term steps that the international community should take immediately to address the current global food crisis, achieve food security and alleviate poverty.

14. Rapid urbanization has profoundly altered the distribution and face of poverty. As cities grow, so do their slum populations. Slum-dwellers, who presently account for 1 billion of the worldwide urban population, are more likely to die earlier, experience more hunger and disease, attain less education and have fewer chances

of employment. To address this challenge, there is a need to implement the full employment and decent work for all agenda, along with policies to promote sustainable small and medium-sized enterprises. For both urban and rural areas, countries and their development partners must work to develop the infrastructure and services that will promote integration into the global economy and to enhance the productive capacity of enterprises. Countries should also adopt urban development policies that will upgrade slums and guarantee the provision of basic services.

15. These efforts must all be designed to encompass all categories of the poor, especially the groups or regions that may be particularly disadvantaged or vulnerable. Such groups could include women, children and young people, older persons and persons with disabilities, and groups that often suffer from social exclusion, such as ethnic, religious or linguistic minorities, indigenous peoples and migrants. Countries in which there are regional pockets of poverty may need to devote special attention to this issue.

16. Recent developments have also indicated two opportunities that should be exploited. The first is the enhanced fiscal space accorded some commodity-producing developing countries following the dramatic increase in their export revenues from primary commodities, including oil. However, for revenues that result from commodity booms to have a long-term impact on poverty reduction efforts, countries will need first to secure and manage such windfalls and then to invest and plan expenditure for the future, bearing in mind that booms are often followed by busts. The second development is the recent decline in the number of military conflicts, which offers a unique opportunity to harness the peace dividend for poverty eradication. The countries concerned need to maintain better control over their resource revenues and manage them effectively to finance their comprehensive development strategies. The international community also needs to reliably provide countries emerging from conflict with assistance in peacebuilding, reconstruction aid and technical support over the medium to long term.[1]

**Action points for consideration**

- Promote bilateral, regional and global cooperation to enhance food security and reduce trade distortions.
- Assist developing countries, especially in sub-Saharan Africa, to transform subsistence agriculture in order to ensure long-term, sustainable productivity increases and the development of a diversified economic base.
- Support research and development into yield-enhancing technologies and inputs.
- Minimize the adverse consequences on the poor of the global financial turmoil and the rising food and energy prices by establishing effective and efficient social safety nets.
- Ensure universal access to staple foods and key nutrients, and promote school feeding programmes.

[1] See *World Economic and Social Survey 2008: Overcoming Economic Insecurity* (United Nations publication, Sales No. E.08.II.C.1); available at http://www.un.org/esa/policy/wess/wess2008files/wess2008.pdf.

- Actively promote equitable access to resources, decent work opportunities, basic education and health care, and the active participation of women and vulnerable groups in decision-making processes.
- Form effective partnerships with civil society organizations, non-governmental organizations, the private sector and philanthropic foundations to develop, in a participatory manner, pro-poor urban and rural development strategies.
- Work with partners to develop infrastructure and services and to promote their integration into the global economy with the aim of enhancing the productive capacity of enterprises.

## II. Education and health

### Education

17. In 2006, primary school enrolment in developing countries reached 88 per cent on average, up from 83 per cent in 2000; however, sub-Saharan Africa continues to lag behind. In all regions, inequalities in access to education continue to pose major barriers to fully attaining the Millennium Development Goal 2 target of ensuring that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling. The quality of education remains poor in many contexts, with impoverished children less likely to finish school and students in most developing countries recording lower levels of achievement in core subjects.

18. Despite evidence of some success, especially in enrolment at the primary level, gender disparities in education are still evident in some regions, particularly in sub-Saharan Africa. At the current rate of progress, the Millennium Development Goal 3 target of eliminating gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015, remain far from being achieved. Community outreach and advocacy campaigns, early education programmes targeting girls, provision of separate sanitation facilities for girls and boys, and hiring more female teachers to act as role models can promote girls' school attendance (see sect. IV).

19. Countries affected by or emerging from conflict typically lag far behind in achieving social targets. Hence, ensuring education is an important part of any good humanitarian response to post-conflict and emergency situations, including the establishment of safe learning spaces and the use of innovative solutions to restore educational systems.

20. Strategies that have proven effective for increasing school enrolment and retention include: eliminating school fees, particularly for low-income families; providing cash transfers to poor families conditional on their children's enrolment or attendance in school; offering free meals and basic health services at school to improve children's health, nutrition and cognitive development; expanding pre-primary school educational programmes; and ensuring an attractive environment that will encourage the enrolment of girls and reduce absenteeism and drop-out rates. To improve the quality of education, it is also necessary to train more teachers and effectively retrain and strongly motivate those in the profession. Ensuring adequate teaching materials and distributing textbooks free of charge are equally important.

21. Governments need to raise domestic spending on education to 15 to 20 per cent of national budgets, giving priority to basic education. As most resources for education come from national budgets, multilateral and bilateral assistance can play a significant role in providing predictable budget support. Although aid directed to basic education for low-income countries increased from $1.6 billion in 1999 to $5.0 billion in 2006,[2] it is still well below the estimated $11 billion in aid required annually to reach universal primary education by 2015.[3] In 2005 and 2006, there was an estimated funding gap of around $0.5 billion each year to support around 20 countries with national education plans endorsed by the Education for All initiative.[4]

22. Since 2000, the increased assistance for education has mainly been driven by new partnerships and innovative financing mechanisms, such as the Education for All Fast Track Initiative. Yet, trust funds created to accelerate progress in developing countries with no regular access to bilateral and multilateral funds are supported by very few donors and resources are too limited to provide reliable budget support. Additional efforts will have to be made to improve aid effectiveness for education by strengthening the capacity of national education systems to improve access to quality education for all.

**Health**

23. Worldwide, under-five mortality declined from 93 to 72 deaths per 1,000 live births between 1990 and 2006. Nevertheless, in 62 countries, under-five mortality is not declining fast enough to meet the Millennium Development Goal 4 target of reducing by two thirds the mortality rate for children under 5 years of age. In 27 countries, the rate is stagnant or getting worse. Sub-Saharan Africa has one fifth of the world's children under 5 but accounts for one half of all child deaths. In many countries, malnutrition, and lack of access to quality primary health care and basic infrastructure, including water and sanitation, continue to be major causes of ill health and death among mothers and children.

24. Over 500,000 women die annually, mainly in low-income countries, because of complications related to pregnancy and childbirth. Women in sub-Saharan Africa or parts of Asia, where maternal mortality rates have barely changed since 1990, are several hundred times more likely to die of maternity complications than those in developed countries. Fully achieving the Millennium Development Goal 5 target of reducing by three quarters, between 1990 and 2015, the maternal mortality ratio, remains a challenging task; it is the area of least progress among all the MDGs. Attendance by trained health workers during and after pregnancy and childbirth, and timely access to emergency obstetric services when life-threatening complications arise, are essential to preventing maternal mortality and disability. The lifetime risk of maternal death can be reduced by providing family planning services. Having fewer pregnancies and spacing births increase the survival rate of both women and

[2] Organization for Economic Cooperation and Development, Development Assistance Committee, *Development Database on Aid from DAC Members: DAC Online* (Paris, 2008), accessed on 30 May 2008.

[3] United Nations Educational, Scientific and Cultural Organization, *Education for All by 2015: Will we make it?*, Education for All (EFA) Global Monitoring Report 2008 (Paris, 2007). The estimate is the outcome of consultations with all EFA partners.

[4] Education for All Fast Track Initiative, at http://www1.worldbank.org/education/efafti/faq.asp#III-9.

their children. However, achieving the Millennium Development Goal 5 target of universal access to reproductive health remains a distant dream in many countries.

25. Measures to achieve the necessary reductions in child mortality should include: full and permanent coverage of immunization programmes; vitamin A supplementation; exclusive breastfeeding for children under six months of age and breastfeeding plus appropriate complementary feeding for children aged six months to two years; adequate nourishment for children of poor families, despite food price rises; promotion of hand-washing and treatment of home drinking water; and prevention and effective treatment of pneumonia, diarrhoea, malaria and other infectious diseases. Coverage of primary health-care systems — with the engagement of community health workers — needs to be comprehensive and universal and accompanied by sustained delivery of health services.

26. Official development assistance for maternal, newborn and child health increased from $2.1 billion in 2003 to $3.5 billion in 2006,[5] but this is not sufficient to meet the targets. Additional aid flows, in the order of $10.2 billion per year, are required to ensure sufficient financing for the strengthening of health systems to meet the demand for maternal and childcare and other reproductive health services.[6]

27. Globally, an estimated 33 million people were living with HIV/AIDS in 2007.[7] In sub-Saharan Africa, the region most adversely affected by the epidemic, about 60 per cent of adults living with HIV are women.[7] Women continue to be particularly vulnerable to HIV infection, especially in crisis situations. Significant progress has been made in expanding treatment: in 2007, antiretroviral treatment covered 3 million of the 9.7 million people in need of antiretroviral treatment in low and middle-income countries. Among HIV-positive pregnant women 33 per cent are receiving antiretroviral treatment to prevent mother-to-child transmission, up from 9 per cent in 2004. Nevertheless, most countries are struggling to meet the Millennium Development Goal 6 targets of achieving, by 2010, universal access to treatment for HIV/AIDS for all those who need it and of halting, by 2015, and reversing the spread of HIV/AIDS. In countries for which information is available, no more than 40 per cent of men and 36 per cent of women aged 15 to 24 understand how HIV is transmitted and how to prevent infection, well below the 95 per cent target. In many countries, population groups especially vulnerable to infection lack adequate access to HIV prevention services, often because there is inadequate legal protection against discrimination.

28. Responding to HIV/AIDS requires a long-term, multi-stakeholder and multisectoral approach based on national AIDS plans that ensure the involvement of all relevant sectors, including health, education and social services. International funding to combat AIDS, including through the Global Fund to Fight AIDS, Tuberculosis and Malaria, has increased considerably. There has been an unprecedented scaling up of access to antiretroviral treatment, with a large number

[5] G. Greco, T. Powell-Jackson, J. Borghi and A. Mills, "Countdown to 2015: assessment of donor assistance to maternal, newborn, and child health between 2003 and 2006", *The Lancet*, vol. 371, No. 9620 (12 April 2008), pp. 1268-1275.

[6] Partnership for Maternal, Newborn and Child Health (2008), "A global call for G8 Leaders and other donors to champion maternal, newborn and child health"; available at http://www.who.int/pmnch/events/2008/g8calltoaction/en/index.html.

[7] Joint United Nations Programme on HIV/AIDS, *Report on the Global AIDS Epidemic* (Geneva, 2008).

of programmes funded through the Global Fund. However, with 70 per cent of those in need of antiretroviral treatment still not receiving it and key HIV prevention services still not reaching those who need them, efforts to expand prevention, treatment and care programmes have to be strengthened. Scaling up HIV prevention is essential to control the epidemic. International funding for programmes in low and middle-income countries reached $10 billion in 2007, a tenfold increase in less than a decade. Yet, this sum falls short of the $18 billion in assistance required annually to combat AIDS.

29. Malaria kills over 1 million people annually, 80 per cent of whom are children under 5 in sub-Saharan Africa. There continue to be between 350 million and 500 million cases of malaria worldwide each year.[8] Progress has been made in malaria control interventions, particularly through the use of insecticide-treated bednets. Since 2000, all countries in Africa for which trend data are available have shown significant progress in expanding the use of insecticide-treated nets, but levels of use remain low. Earlier this year, the Secretary-General sounded a call to action to reach full coverage of key interventions in Africa by 2010 to end malaria deaths. An estimated 250 million nets are required to reach 80 per cent coverage in sub-Saharan Africa. To date, the funds committed will provide only 100 million nets — less than one half of the requirement. It is also urgent to scale up other proven and cost-effective preventive and curative interventions, such as those identified by the Roll Back Malaria Partnership. While funding still has not reached necessary levels, major advances in implementation have begun, thanks to international funding from key philanthropic, bilateral and multilateral sources, including the Bill and Melinda Gates Foundation, the United States President's malaria initiative, the Global Fund, the World Bank Global Strategy and Booster Program to Fight Malaria, and other partnerships.

30. While the incidence rate of tuberculosis has stabilized in most regions, the total number of cases is rising, with an estimated 9.2 million new cases and 1.7 million deaths in 2006. Treatment for tuberculosis is well established; the major challenges are in expanding coverage and dealing with drug resistance. There is a need to ensure that diagnosis and treatment are fully integrated into health services, and critical funding gaps, such as those for the DOTS programmes and research and development activities for new vaccine development, are met. Challenges continue to be faced in achieving Millennium Development Goal 6 with respect to halting and reversing the incidence, prevalence and deaths associated with tuberculosis.

31. Ensuring adequate access to essential drugs is a critical component of the prevention and treatment of infectious diseases. This is also true for the neglected tropical diseases, which continue to affect 1 billion people among the world's poorest and whose crippling effects make these diseases perpetuators of poverty. To the extent that those drugs remain largely unaffordable for most residents of developing countries, the health Millennium Development Goals will not be achieved. Additional funding must be committed for the global partnership in regard to affordable essential drugs, as discussed in section V below.

32. Achievement of Millennium Development Goals 4, 5 and 6 on health depends on well-functioning health systems able to deliver services in a gender-sensitive manner appropriate to the different stages of life. Of particular concern is the

[8] World Health Organization and UNICEF, *World Malaria Report 2005* (Geneva, 2005).

extension of health services to poor and underserved populations, such as those living in rural areas or urban slums, including through innovative and participatory approaches to health delivery at the community level. Global resources and interventions to support the achievement of the Millennium Development Goal health targets should help strengthen health systems by training additional health personnel and by building primary health-care facilities and clinics to improve basic health services. The Secretary-General has identified this issue as a priority. Both the Global Fund and the Global Alliance for Vaccines and Immunization are developing new approaches to support the strengthening of health systems, but additional funding will be required.

33. Overall, since the adoption of the Millennium Declaration, ODA for health has more than doubled, from $6.8 billion in 2000 to $16.7 billion in 2006.[9] There are more than 40 bilateral donors and 90 global initiatives on health, with the resulting fragmentation increasing transaction costs and undermining aid effectiveness. To increase aid effectiveness, the International Health Partnership and related initiatives[10] are working to improve coordination and ensure predictable long-term financing, both domestic and external, to support national health plans and strategies that are results-oriented, and to promote mutual accountability monitored at the global and national levels.

**Water and sanitation**

34. About 1 billion people do not have access to safe drinking water, and 2.5 billion lack access to basic sanitation services. While women are forced to spend large parts of their day fetching water, children, and especially girls, are denied their right to education because their schools lack private and decent sanitation facilities. Current trends suggest that the world may meet the drinking water target, but not that for sanitation. There are huge disparities among regions. For example, the proportion of people using improved sources of drinking water is only 58 per cent in sub-Saharan Africa but much higher in Eastern Asia (88 per cent), Western Asia (90 per cent) and Northern Africa (92 per cent). Wide disparities also exist in access to sanitation, with sub-Saharan Africa and South Asia both lagging far behind. Likewise, there are huge urban-rural disparities. In 2006, more than 8 out of the 10 people without access to improved drinking water sources lived in rural areas. Seven of the 10 people without improved sanitation also lived in rural areas.

35. To meet the Millennium Development Goal 7 target of halving, by 2015, the proportion of people without sustainable access to safe drinking water and basic sanitation, over 87 million people each year need to gain access to water and 173 million to sanitation over the period from 2006 to 2015. While regional needs may vary, this will require investing in infrastructure, prioritizing water and sanitation-related interventions in national development plans, scaling up good practices, improving the governance of public utilities, enabling equitable and affordable access, and empowering communities in rural areas to manage water and sanitation systems. Countries need targeted capacity-building strategies to ensure

[9] World Bank and International Monetary Fund, *Global Monitoring Report 2008: MDGs and the Environment: Agenda for Inclusive and Sustainable Development* (Washington, D.C., 2008).

[10] Including the Catalytic Initiative, the Global Campaign for the Health MDGs, Providing for Health, and Results-based Financing. These initiatives together with the International Health Partnership are referred to as IHP+.

the sustained provision of water and sanitation services. It is essential that efforts target those who entirely lack access to basic services. It is estimated that the costs of closing the gap between current trends and target trends for achieving the Millennium Development Goal on water and sanitation, based on low-cost, sustainable technologies, is at least $10 billion per year.[11] Under-spending on water and sanitation is a problem. Typically, expenditures on water sanitation are less than 0.5 per cent of gross domestic product (GDP). Ideally, countries should increase expenditures to at least 1.0 per cent of GDP. International aid flows will need to double, rising by $3.6 to $4.0 billion per year, to reach the targets.[12]

**Action points for consideration**

- Increase assistance and support to scale up the implementation of proven health, education, and water and sanitation interventions targeting the poorest and vulnerable groups.
- Establish multi-year commitments on ODA for education and health to poor countries, in line with the Paris Declaration principles, and promote mechanisms to increase substantially multi-country funding for the research and development of essential drugs to treat tuberculosis, malaria, HIV/AIDS and other infectious diseases.
- Provide integrated support for the development of sustainable national health and education systems, with a special focus on improved capacities to deliver quality services and on the retention of professional staff.
- Ensure predictable and sustained funding for a long-term response to the HIV/AIDS epidemic.
- Support governments in overcoming the obstacles faced by women and girls in obtaining equitable access to health and education services.
- Establish dedicated national programmes to reduce maternal mortality and ensure universal access to reproductive health.
- Formulate strategies and action plans, in partnership with civil society organizations, local authorities and/or the private sector, to improve the accessibility and quality of health, education, and water and sanitation services.

## III. Environmental sustainability

36. Environmental degradation can undermine efforts aimed at sustainable development and therefore the Millennium Development Goals, as the rural poor, in particular, often depend on the natural resource base for their livelihoods. Such

[11] Another estimate for the annual cost of meeting the Millennium Development Goal targets on water and sanitation by 2015 is $11.3 billion, $9.5 billion of which is for sanitation alone (United Nations Children's Fund, *Progress for Children: A Report Card on Water and Sanitation*, No. 5 (September 2006); and G. Hutton and L. Haller, "Evaluation of costs and benefits of water and sanitation improvements at global level", World Health Organization document WHO/SDE/WSH/04.04).

[12] United Nations Development Programme, *Human Development Report 2006: Beyond Scarcity: Power, Poverty and the Global Water Crisis* (New York, 2006), pp. 8-9.

degradation erodes the natural adaptability of ecosystems, which in the past has ensured their resilience in situations of disaster and saved both lives and livelihoods. Better management presents an opportunity for the achievement of the Millennium Development Goals. Indeed, the Millennium Ecosystem Assessment in 2003 concluded that any progress achieved in addressing the goals of poverty and hunger eradication, improved health and environmental protection is unlikely to be sustained if most of the services provided by the ecosystems upon which humanity relies continue to be degraded. The urban poor also suffer from degraded conditions in rapidly growing slum communities. Integrating poverty and environmental concerns into the mainstream of development policy, planning and investments therefore remains an urgent priority.

37. Crucial to making progress towards sustainable development is broad public participation, including the poor and marginalized groups, in decision-making and implementation. Also essential are the principles of intergenerational and intragenerational equity in the use of the earth's resources. Since the convening of the United Nations Conference on Environment and Development (the Earth Summit) in Rio de Janeiro in 1992, and, most recently, with the sobering findings of the fourth assessment report of the Intergovernmental Panel on Climate Change, the world has become acutely aware of the need for stronger international cooperation and a more equitable sharing of resources to address global sustainability challenges.

**Integration of sustainable development principles into national strategies**

38. Despite the contribution of the environment and natural resources to poverty reduction and development, the sector remains largely under-financed in many countries, even though more than 80 countries have implemented national sustainable development strategies which involve broad participation by all major stakeholders. Clearly, an implementation gap remains between the commitments in those strategies and progress on the ground. It is important to integrate national sustainable development strategies with other development planning processes, such as poverty reduction strategies. This is both a pathway to reinforcing linkages among the environment, development and poverty reduction agendas, thereby driving collective progress towards achieving the Millennium Development Goals, and a critical instrument for securing and harmonizing support from donor governments, international organizations and major groups.

39. Natural disasters and extreme events can set back progress. The more severe the disaster or event and the more vulnerable the community, the bigger the setback. Climate change is intensifying a variety of disasters, including extreme weather events, storm surges, floods and droughts. It is therefore vital that national development strategies incorporate measures aimed at strengthened community resilience through economic development, increased income diversification, strengthened natural and infrastructural defences, and improved disaster preparedness.

**Natural resources and biodiversity**

40. In spite of the increase of forest area managed in a sustainable manner, deforestation worldwide — mostly owing to land use change — continues at a disturbing rate of about 13 million hectares a year. The rate of loss has been fastest

in some of the world's most biologically diverse regions and old growth forest ecosystems, including South-East Asia, Oceania, Latin America and sub-Saharan Africa. This is contributing to climate change, loss of biodiversity and increased risk of natural disasters, and is threatening the livelihoods of forest-dependent rural families and indigenous peoples. Many forest-rich countries need financial resources, as well as improved technology and capacity, to implement sustainable, participatory forest management and conservation practices that are consistent with national development strategies.

41. In many places, soil and freshwater resources are being severely depleted and degraded; climate change will exacerbate these problems, including through more extensive desertification. Some ecosystems, such as lakes and marine areas, remain largely unprotected despite the proportion of protected areas globally having gone up: by 2006, about 20 million square kilometres of land and sea were under protection. Yet only a fraction of these protected areas — about 2 million square kilometres — are marine ecosystems, despite their important role in the sustainability of fish stocks and coastal livelihoods.

42. More and more fish stocks are overexploited, threatening the most important source of animal protein for billions of people. Increased large-scale industrial fishing and poorly regulated access to fisheries have exacerbated the problem. Currently, only 22 per cent of the world's fisheries are sustainable, compared to 40 per cent in 1975.

43. Despite these constraints, there are promising examples of conservation and rehabilitation of natural resources and ecosystems that reduce poverty. For example, a number of community-based initiatives in the developing world have shown positive environmental and developmental outcomes, and in parts of the African Sahel, where desertification is contributing to poverty, decentralization of the authority to manage and benefit from local resources also shows promise of reversing earlier forest losses.

44. Careful, participatory natural resource management practices are required, from an expanded, strengthened management and enforcement capacity in relation to protected areas to financial resources, stronger incentives for sustainably managed harvested forests and aquatic products, improved regulatory and economic instruments, including application of the polluter-pays principle, community and joint management of natural resources, and greater coherence among policies concerning agriculture, forestry, energy, tourism and natural resource conservation. Increased cooperation at the country level, which brings together governments, donors, civil society and the private sector in partnership in the delivering of effective conservation and management, will be critical. Regional and international cooperation will also be vital to reversing the loss of natural resources and significantly reducing the loss of biodiversity.

**Energy, air pollution and climate change**

45. Lack of affordable access to clean modern energy services is widespread. Sizeable investments will be required to bring electricity and cleaner cooking fuels to the hundreds of millions of people who still lack them. Modern, efficient fuels reduce the adverse impacts on health, economic productivity and the environment of reliance on traditional biomass fuels and inefficient coal burning, thereby benefiting those most exposed to the negative impacts, particularly women and children.

46. Biofuels may make a contribution to reducing greenhouse gas emissions, limiting fossil fuel dependency and increasing rural income and employment opportunities, depending on the feedstock and technology used and on the implications for land use. The sustainable production of biofuels should not compete with the use of land and water resources for food production or encroach on forested land, either directly or indirectly. Intensified research is needed to enhance the productivity of first-generation biofuel technologies and further develop next-generation technologies.

47. Although the private sector may be well placed to deliver many required energy technologies in a cost-effective and timely manner, in some regions, notably Africa, public investment will still be critical. Governments need to create a policy framework which encourages quality investment in energy sources, efficiency and cleaner energy technologies. Governments also have a key role to play in the research and development of low-carbon energy technologies, including through public-private partnerships. Regional cooperation can facilitate the development of cross-border energy infrastructure and energy trade.

48. Close international cooperation is essential to addressing climate change, ensuring effective mitigation and adaptation measures and access by all countries to the financial and technological resources that make taking such measures possible. The Montreal Protocol has been highly effective in phasing out ozone-depleting substances and holds the prospect of reducing certain greenhouse gas emissions as well. Timely conclusion of the current negotiations under the United Nations Framework Convention on Climate Change will be crucial to addressing the phenomenon, without which reaching and then maintaining the MDGs will be hardly possible.

**Water resources**

49. Many countries suffer from water scarcity and access to water is becoming a major limiting factor in their socio-economic development. Today, about 700 million people in 43 countries live below the water-stress threshold; by 2025, more than 3 billion people could be living in water-stressed countries. In many countries, water scarcity is the product of public policies which have encouraged unsustainable use of water through subsidies and underpricing, coupled with low investment in the infrastructure and institutional capacity for water management. Climate change will only exacerbate the situation in most countries. Pollution of water resources is on the increase, thus putting additional stress on available water resources. More effective ways to conserve, use and manage the world's water resources are needed to meet continuously increasing demand and to ensure equitable access nationally and internationally. Investments in physical infrastructure should be combined with demand management measures to improve water use efficiency, especially agricultural water use. Action is also needed on the appropriate water resource governance structures to promote the sharing and best use of those resources, nationally and internationally.

**Slums**

50. Based on estimates of the United Nations Human Settlements Programme (UN-Habitat), the global population of slum-dwellers has grown at roughly the same rate as the urban population over the past decade and a half. The situation is

especially challenging in sub-Saharan Africa and South and West Asia. Even if the target of significantly improving the lives of at least 100 million slum-dwellers by 2020 were met, this number represents only 10 per cent of the estimated world slum population which, at current rates of expansion, is expected to triple, to 3 billion by 2050.

51. Capacity-building is needed in many developing countries to strengthen legal, institutional and human resources to respond adequately to rapid urbanization. Local authorities need resource mobilization capacities commensurate with their responsibilities for planning, developing and managing sustainable cities. This will require planning for urban land use and transport planning, significant infrastructural development, investment in affordable housing, guaranteeing of vital community services and promotion of an environment conducive to productive employment creation.

52. It is essential to ensure human and civil rights of the slum-dwellers in order to prevent their further political, economic and social exclusion. Strategic partnerships with international and regional financial institutions can help scale up country-level slum upgrading programmes. Finance for low-cost housing should be better mobilized by using multiple channels, including inclusive finance and remittances. Waste management systems need improvement, especially in slum communities.

**Action points for consideration**

- Promote the scaling up of implementation of programmes and initiatives that deliver pro-poor environmental outcomes at the national and local levels.
- Introduce innovative financial mechanisms (locally, nationally and internationally) to significantly raise revenue for the management of the environment.
- Invest in the establishment and maintenance of pro-poor, participatory and community-based natural resource and ecosystems management systems and develop the capacities of local service delivery agents.
- Introduce measures to significantly reduce global greenhouse gas emission.
- Integrate climate risk rejection and adaptation into development programmes and projects, as well as national and local strategies and plans.
- Promote and fund the development, transfer and diffusion of climate-friendly technologies, including through innovative mechanisms, such as the clean development mechanism.
- Implement measures to scale up slum upgrading and to support investment in decent, affordable housing for the poor.

# IV. Gender equality and the empowerment of women

53. Promoting gender equality and the empowerment of women — critical objectives in themselves — are widely recognized as effective ways to combat poverty, hunger and disease and to promote sustainable development. The achievement of Millennium Development Goal 3 depends not only on the extent to which specific targets — such as increasing women's political and economic

empowerment, literacy rates and participation in non-agricultural wage employment — are addressed, but also on the extent to which the actions taken to achieve the other Millennium Development Goals are designed to promote the equality of women and men. While focusing on Goal 3, the present section should therefore be read in conjunction with the remainder of the document.

54. Commitments to Millennium Development Goal 3 have increased efforts, including resource allocations, at the local, national, regional and global levels to ensure progress. More needs to be done to combat the gender inequalities that constrain the potential to achieve high levels of well-being in societies around the world.

**Gender equality in education**

55. Progress has been made towards the elimination of gender disparities in education, with most of the gains in enrolment ratios made at the primary school level, where nearly two thirds of countries reached gender parity by the target year of 2005. Progress is, however, not fast enough to ensure a basic education for the millions of girls still not in school, and gains have been very uneven across regions. Of the 113 countries which missed meeting the gender parity school enrolment target for both primary and secondary levels, only 18 are likely to achieve the goal by 2015. Only 35 per cent of countries have reached parity at the secondary level and 3 per cent parity in tertiary education.

56. Accelerating the achievement of Millennium Development Goal 3 in respect of education will require, in addition to the measures suggested in section II above, gender-specific interventions, such as providing transportation to and from schools, undertaking national awareness-raising campaigns aimed at reducing girls' domestic responsibilities, and preventing early marriage, pregnancy and violence against women. Measures to be taken within the educational system include gender-sensitive curricula, gender sensitization for all teachers and school officials, and the recruitment and training of female teachers. Investment in gender equality in secondary and higher levels of education must be strengthened, given that the long-term benefits for women and girls, including access to remunerated, competitive work opportunities, are highest at these levels (see below). Efforts must also aim to enhance non-formal education for girls and women, such as vocational or skills training and literacy programmes.

**Gender equality in employment**

57. Globally, female participation in the labour force has increased. Women now account for almost 40 per cent of all paid employment outside agriculture, up from 36 per cent in 1990. However, there are wide regional differences in the economic participation of women, with particular constraints in rural areas. The global unemployment rate for women has also been higher than for men.

58. Increasing educational attainment can only be effective as an empowerment strategy if it translates into equality of economic opportunity. Women's paid work in many areas is characterized by occupational segregation and women are often concentrated in low-paid and/or temporary and informal jobs. Gender wage gaps persist throughout the world. Women's unequal share of unpaid household work often restricts their access to full employment and steers them into the informal economy, particularly in the context of HIV/AIDS and the food crisis.

59. Support must be provided for women's self-employment and entrepreneurship, especially in rural areas, including through improved access to microcredit, agricultural inputs such as seeds and fertilizers, training and markets. Women's land and property rights must be guaranteed through legal reform. Land and property ownership provides economic security and can be a stepping stone for economic development.

60. Empowering women in the labour market requires also the ratification and enforcement of the International Labour Organization conventions, and stepped-up efforts by all countries towards implementation of decent work principles, such as social protection and freedom from harassment. Effective measures on childcare and parental leave can do much to expand women's employment opportunities. Measures to address the working conditions and remuneration of women in the informal sector need to be developed. Advances in the areas suggested above will all contribute to the equal participation of women in the labour market.

**Gender equality in political participation**

61. The progress made in increasing the political representation of women in national parliaments has been steady but very slow and uneven across regions. Between 2000 and 2008, the proportion of seats for women in parliaments only increased from 13.5 to 17.9 per cent. Only 20 countries have achieved over 30 per cent female representation in parliament. While such representation is an important indicator of women's capacity to influence decision-making, representation in leadership positions is also critical. Yet, the number of women serving as presiding officers in parliaments has only increased from 10 per cent in 1995 to 10.7 per cent in 2008. More progress needs to be made in enhancing the participation of women at all levels of government and their role in other decision-making positions in the private sector, civil society and the media.

62. Experience shows that women have a higher probability of being elected in greater numbers in proportional representation electoral systems. The effectiveness of quota systems for increasing women's representation has been demonstrated; other supportive mechanisms include transparent selection processes within political parties, support from senior political leaders, access to public funding, training of women candidates and elected officials, awareness-raising for the public at large with a view to changing social attitudes, and protecting women from violence. The strength of civil society is critical in mobilizing support for women candidates and elected officials.

**Accelerating progress and enhancing the measurement of progress**

63. Accelerating progress towards the achievement of Millennium Development Goal 3 will require increased financial commitments, through domestic resource allocation, funding from bilateral and multilateral sources, and non-traditional funding mechanisms. Ministries of women's affairs need increased access to resources for capacity-building to enable them to play their important role in implementing national gender equality strategies and monitoring the mainstreaming of gender perspectives across the other Millennium Development Goal sectors.

64. Methodologies and tools for assessing both the resource needs and the way in which budgets are allocated in support of gender mainstreaming and gender equality programmes have to be improved. Although the Millennium Development Goal 3

indicators provide important measures of gender equality and empowerment of women, there is need for additional, more comprehensive indicators. This will require concomitant improvements in official statistics at both the national and international levels in order to produce such data regularly and with sufficient country coverage to cover the additional priority areas identified by Heads of State at the 2005 World Summit. New indicators of women's share of productive, full and decent employment and reproductive health have been incorporated into the Millennium Development Goal framework and will be reported for the first time in 2008. Some countries have developed country-specific Millennium Development Goal 3 indicators which target particular gender equality issues.

65. Gender inequality is deeply rooted in entrenched attitudes and institutions, and political commitment at the highest international and national levels is essential to ensure the allocation of resources and promotion of the social changes necessary to achieve gender equality and women's empowerment. Strengthening the capacity of the United Nations in support of country-owned gender equality strategies will be critical to meeting this objective.

**Action points for consideration**

- Scale up promising practices to combat the obstacles to achieving the Millennium Development Goal targets for women in relation to education, employment and their full and equal political representation and access to decision-making.
- Identify and initiate innovative financing mechanisms and partnerships for interventions and mainstreaming gender perspectives in all Millennium Development Goal sectors.
- Improve statistical capacity at the national level in order to monitor more effectively the progress made in regard to gender equality and empowerment of women.
- Strengthen the substantive and programmatic work of the United Nations system on gender equality and the empowerment of women.

## V. Global partnership for development

66. In the global partnership for development, developing countries take primary responsibility for their development and for mobilizing domestic resources and ensuring good governance, while developed countries agree to provide assistance and promote an enabling international environment. More can and needs to be done in a number of areas to meet the targets proposed by the global partnership for development under Millennium Development Goal 8.[13] This is critical for providing developing countries with both better opportunities to gain from trade and technology and the additional resources and fiscal space needed to complement their own efforts towards achievement of Millennium Development Goals 1 to 7. Gender

[13] See the annexed table on the implementation gaps in relation to commitments for strengthening global partnerships and required policy responses. A more elaborate account of implementation gaps in the global partnership can be found in the 2008 Report of the MDG Gap Task Force, MDG-8: Delivering on the Global Partnership for Achieving the MDGs.

perspectives should be integrated in aid modalities and in efforts to enhance aid delivery mechanisms.

**Trade**

67. In the area of trade, only slow progress has been made towards achieving the Millennium Development Goal 8 target of developing further an open, rule-based, predictable, non-discriminatory trading and financial system which serves the development agenda. There has been no agreement on a trading system that will deliver substantial benefits to developing countries since the initiation in 2001 of the Doha Round of trade negotiations. Instead, countries are increasingly committed to bilateral, plurilateral and regional trade, investment and other economic agreements.

68. Meanwhile, little progress has been made in addressing the special needs of the least developed countries, as articulated in target 13 of Millennium Development Goal 8. The degree of preference given to them, compared to other developing countries, has been eroded by the proliferation of preferential schemes granted by developed countries. Preferential treatment for the least developed countries only remains significant in regard to agriculture, in terms of duty-free market access and the average level of applied tariffs. Excluding the trade in arms and oil, duty-free access to the markets of developed countries covers only 79 per cent of the exports of the least developed countries, far below the 97 per cent target established in the Ministerial Declaration adopted at the Sixth Ministerial Conference of the World Trade Organization held in Hong Kong, China, in December 2005.

69. Preferential market access for the least developed countries to foster growth and poverty reduction should be complemented by a significant Aid for Trade programme which would assist poorer countries in realizing their productive and export potential and support their employment creation and export diversification efforts. Thus far, very limited resources have been committed to the Aid for Trade initiative. Aid commitments decreased in 2005 and there is little evidence that such resources are additional to previous commitments. Moreover, existing procedures to access Aid for Trade resources lack transparency. Additional support is required to identify investment priorities and bankable projects in the areas of trade facilitation, infrastructure and production for exports and to strengthen the capacity of countries to access Aid for Trade resources. The Enhanced Integrated Framework seeks to facilitate the integration of the least developed countries into the multilateral trading system by increasing their access to funds under the Aid for Trade initiative.

**Official development assistance**

70. Efforts to step up ODA have been set back. In 2007, the only countries to reach or exceed the agreed target of 0.7 per cent of gross national income (GNI) were Denmark, Luxembourg, the Netherlands, Norway and Sweden. Total net aid flows from members of the Development Assistance Committee fell to $103.7 billion in 2007, representing 0.28 per cent of the combined national income of the developed countries. Financial assistance to the least developed countries also falls short of the commitments made. In addition to the aforementioned countries, only Belgium, Ireland and the United Kingdom of Great Britain and Northern Ireland have met the target of providing aid to the least developed countries in magnitudes of at least 0.15 to 0.20 per cent of their GNI. In real terms, aid flows to developing

countries dropped by 8.4 per cent from the 2006 level, which was already lower than the peak level reached in 2005. Aid flows peaked in 2005 as a consequence of large sums of debt relief for Nigeria and Iraq and one-time increases in humanitarian relief, rather than an expansion of support for core development programmes.

71. At various world summit meetings, donor countries have pledged to increase aid from $80 billion in 2004 to $130 billion in 2010 (at constant 2004 prices). The present rate of increase of aid for core development programmes (excluding debt relief) will have to more than double over the next three years if the level of aid committed for 2010 is to be met. As of 2008, only $21 billion of the additional ODA commitments has been delivered or programmed. At the summit meeting of the Group of Eight in Gleneagles, Scotland, in 2005, its members made a commitment to double ODA to Africa by 2010. Preliminary data for 2007 show that, excluding debt relief, bilateral ODA to the region has increased by no more than 9 per cent since 2005.

72. Increases in the volume of ODA should be accompanied by improvements in ODA quality and predictability. As called for under the Paris Declaration on Aid Effectiveness adopted in 2005, ODA needs to be aligned with the priorities and systems of recipient countries so as to increase the likelihood that it will be spent effectively. The global donor timetables for ODA programming established in 2005 also need to be broken down for country-level delivery schedules. At present, only some recipient countries receive projections of the amount of ODA that they will be likely to receive in forthcoming years.[14] As a result, it is difficult for developing countries to plan for the increase in ODA in launching Millennium Development Goal projects. Developed countries should make available to each recipient country reliable medium-term schedules for future ODA flows.

73. Accelerated progress towards meeting the targets set in the Paris Declaration should not only help to improve the predictability of aid and avoid aid fragmentation and high transaction costs in the administration of aid resources, but should also reduce the degree of aid tied to the purchase of goods and services provided by donor countries and contribute to improving the alignment of aid flows with national budgets, thus broadening the policy space for countries to define their own development priorities. It is also important for donors non-members of the Development Assistance Committee to be cognizant of national ownership.

**Debt relief**

74. The Millennium Development Goal target of dealing comprehensively with the debt problems of developing countries has not been achieved in full. Additional actions need to be taken to relieve the debt burden of countries not part of the Heavily Indebted Poor Countries (HIPC) Initiative. Indeed, most progress has been made in terms of debt relief for the poorest countries. As of June 2008, 33 of the 41 eligible countries to receive debt relief under the HIPC Initiative had reached decision point, whereas 23 of these has reached completion point which is when creditors are expected to irrevocably provide the full amount of debt relief

[14] Organization for Economic Cooperation and Development, Development Assistance Committee, *Scaling Up: Aid Fragmentation, Aid Allocation and Aid Predictability: Report of 2008 Survey of Aid Allocation Policies and Indicative Forward Spending Plans* (Paris, May 2008); available at http://www.oecd.org/dataoecd/37/18/40636952.pdf.

committed at decision point. The 23 post-completion point countries have also benefited from debt relief under the Multilateral Debt Relief Initiative (MDRI). Debt relief in all forms (HIPC, MDRI, traditional debt relief and other "voluntary" bilateral debt relief) would reduce debt stock for the 33 post-decision point countries from $105 billion to $9 billion (2006 NPV), which is a reduction of more than 90 per cent. This, together with high commodity prices, has helped to reduce the debt service ratio for all developing countries, from 12.5 per cent in 2000 to 6.6 per cent in 2006 and to around 3 per cent in 2007, thereby creating an environment for investment and recovery without heavy debt burdens. This trend may be reversed, however, if commodity prices are less buoyant in the coming years.[15] Moreover, the debt vulnerability indicators of most HIPC participants have tended to deteriorate after debt relief is received. In addition, debt relief efforts have not been available to non-HIPC debt-distressed countries which have no mechanisms in place for orderly sovereign debt restructuring.

75. Debt relief thus requires complementary efforts to keep debt levels sustainable. There has been insufficient progress in developing adequate institutional mechanisms for better debt management and sustainability, and in establishing a sovereign debt arbitration mechanism for countries under severe debt distress. Many developing countries still carry levels of debt that, while considered sustainable, leave insufficient fiscal space to scale up public spending on education, health, infrastructure and poverty reduction to achieve the Millennium Development Goals. With the debt relief for HIPC countries, average expenditure on health and education has increased, but not public investment in infrastructure and long-term economic development.

**Access to affordable essential drugs**

76. The Millennium Development Goal target of providing access to affordable essential drugs has triggered actions to increase the availability of essential drugs and treatments to fight HIV/AIDS, malaria and tuberculosis. However, in many developing countries, many essential drugs remain unaffordable. Part of the difficulty in tracking the commitment made in regard to essential drugs is the lack of a specific target and the ambiguity in relation to medicines considered essential. Efforts need to be stepped up to meet this target by adopting clear targets and intensifying interventions to expand the access of poor people in developing countries to essential medicines at a reasonable cost.

77. Many countries still lack well-defined policies for the adoption of generic substitutes for essential medicines, updated lists of essential medicines, and mechanisms for regular monitoring of medicine prices and availability. At the global level, pharmaceutical companies should adopt differential pricing policies that significantly reduce the price of essential medicines in developing countries, produce generic drugs and increase funding for research and development in respect of essential drugs for neglected tropical diseases. Developing countries especially should make better use of their rights under the World Trade Organization Agreement on Trade-related Aspects of Intellectual Property Rights (TRIPS) to issue compulsory licences to import life-saving drugs.

[15] See United Nations, *World Economic Situation and Prospects 2008: Update as of mid-2008*; available at http://www.un.org/esa/policy/wess/wesp2008files/wesp08update.pdf.

**Transfer of technology**

78. Improving the access of developing countries to new technology is critical for accelerating progress towards meeting other Millennium Development Goal targets. Rapid innovation to increase productivity, sustain economic growth and reduce poverty requires continuous access to the most recent technology. Achieving progress in health and education also requires adequate access to technology to improve service delivery and reduce costs. Currently, the Millennium Development Goal framework does not have a defined quantitative target on technology. While there has been a significant expansion of access in developing countries to mobile telephony and computers, the digital divide has widened between developed and developing countries and between high and low-income groups. There is an urgent need to strengthen global public-private partnerships in this area, including interventions to improve access to electricity and to accelerate progress in human resource development in order to make more effective use of technology. At the global level, more generous regulations on intellectual property rights, differential pricing to reduce the cost of technology and products for developing countries, and a substantial increase in reducing the costs of access to and use of knowledge would contribute to closing the technological gap.

**Action points for consideration**

- Develop specific steps and actions to complete the Doha Round of trade negotiations to reduce existing trade distortions in favour of more equitable mechanisms.
- Extend HIPC and other debt relief mechanisms to developing countries in severe debt distress, as well as support to sovereign debt restructuring mechanisms.
- Promote low-cost or subsidized access to essential drugs and other life-saving interventions and promote the transfer of technology for development.
- Promote proven and effective public-private partnerships at the national and international levels to improve access to digital and other new technology with the aim of accelerating development, especially in the areas of information and communications technology, agriculture and adaptation to climate change.

# VI. Concluding remarks

79. The present note has provided an overview, as well as a reminder, of the vast and demanding challenge in achieving the Millennium Development Goals, and of the common resolve and commitment to focused collaborative action at the national and international levels. What has been achieved thus far confirms the wisdom of a shared strategy to achieve enduring development for all. What needs to be done from this point onwards must build on this shared strategy for social and economic development, in which the actions of development partners complement and support each other, and in which all stakeholders have a role and the space to fulfil it.

80. The High-level Event on the Millennium Development Goals provides Governments, civil society and the private sector the opportunity to examine and strengthen commitments, and launch new initiatives, partnerships and alliances, to

**undertake the many demanding tasks in the years ahead to ensure the achievement of the Millennium Development Goals by 2015.**

**81. The outcomes of the High-level Event, including commitments made at its side events, could provide Member States and all other stakeholders with a platform for action to achieve the Millennium Development Goals. In this regard, Member States could agree to review the progress made in that regard at the summit level in 2010.**

## Annex

### Implementation gaps in relation to commitments for strengthening global partnerships[a] and required policy responses

| | *Gap* | *National policies* | *Required global response* |
|---|---|---|---|
| **Official development assistance** | Aid commitments from 1970 — reaffirmed by donors in 2002 and 2005 — are not being met. Aid resources reached fell to 0.28 per cent of the gross national income (GNI) of Development Assistance Committee (DAC) members in 2007, well short of the intermediate target of 0.5 per cent of GNI for 2010 and the final commitment target of 0.7 per cent of GNI | | Increase aid flows by $18 billion (current prices) annual between 2008 and 2010 in order to meet agreed targets by 2010<br><br>Ensure that the International Development Association has sufficient resources to guarantee that it will be able to provide additionality in its support to least developed countries committed to poverty reduction, post-Multilateral Debt Relief Initiative (MDRI) |
| Aid effectiveness | Commitments on improving aid effectiveness are not being met<br><br>Twelve indicators in the 2005 Paris Declaration to improve aid effectiveness have not achieved agreed levels | Improve aid coordination in line with national priorities<br><br>Adopt national systems of procurement | Donors, including non-DAC partners, and recipient countries to accelerate progress for aid alignment, harmonization, management for results and mutual accountability |
| ODA to the least developed countries | ODA commitments under the 2001 Brussels Action Plan to the least developed countries are not being met. Only eight DAC member countries currently allocate 0.15 to 0.2 per cent of GNI to these countries | | Increase annual allocation of ODA to the least developed countries by $8.8 billion (at current prices) between 2008 and 2010 |
| ODA to Africa | ODA commitments to Africa are not being met. The goal to double aid to Africa (from $25 billion in 2004 to $50 billion, at constant price United States dollars, by 2010) will not be met at current trends (excluding debt relief: ODA to Africa increased 9 per cent in 2007) | | Provide additional $7.3 billion ODA (in current prices) to Africa per year between 2008 and 2010 |

[a] Millennium Development Goal 8.

| | *Gap* | *National policies* | *Required global response* |
|---|---|---|---|
| **Trade** | Failure to conclude a multilateral trade round that delivers real and substantial benefits to developing countries | Prioritize trade links to development and poverty reduction in national development strategies | Refocus on the elements that would make the Doha Round negotiations a "development" Round and to work to conclude it<br><br>Discourage plurilateral, bilateral and economic partnerships that undermine multilateral agreements |
| Market access | No improvement towards reaching even the 97 per cent commitment made in the Hong Kong, China, ministerial declaration in 2005 to grant duty and quota free access to developed country markets for exports from the least developed countries. Once trade in arms and oil are excluded, duty and quota free access was 79 per cent in 2006, same as 10 years ago<br><br>Preferential market access for the least developed countries is eroding | | Substantial reduction of tariffs and non-tariff barriers imposed by developed countries on agricultural products and textiles and clothing from developing countries |
| Agricultural subsidies | Eliminate subsidies to agriculture in developed countries in line with the 2005 Hong Kong, China, ministerial commitment to eliminate them by 2013. Current level of support ranges from 30 to 70 per cent of the gross incomes of farmers in developed countries. In 2006 agricultural support in OECD countries was estimated at $363 billion | Enhance food security, including by:<br>• Greater investment in rural infrastructure<br>• Promote research and development to improve agricultural production technologies<br>• Promote agricultural development<br>• Input support for small holders<br>• Accelerate green revolution in Africa | Accelerate the elimination of domestic and export subsidies on agricultural production in developed countries<br><br>Eliminate tariffs on agricultural exports from developing countries<br><br>In conjunction with global food crisis, provide:<br>• Emergency food assistance to groups and regions at risk of hunger<br>• Compensatory finance for low-income countries that face adverse effects as a result of high food prices |

| | *Gap* | *National policies* | *Required global response* |
|---|---|---|---|
| Aid for trade | Insufficient ODA to enhance productive capacity, infrastructure and trade | Needs assessments should be completed to identify investment priorities | Urgently assess regional and country needs for Aid for Trade to ensure total available resources and allocations meet those needs |
| | Lack of clarity in the design of the Aid for Trade initiative and procedures to access resources | | |
| | Finalize the operational mechanisms of the Enhanced Integrated Framework | | Accelerate progress to make the Enhanced Integrated Framework operational |
| **Debt relief** | Debt problems of developing countries that do not qualify for the Enhanced Heavily Indebted Poor Countries Initiative (eHIPC) MDRI are not being dealt with comprehensively | Strengthen production and export capacity | Remove obstacles that delay eHIPC completion, including additional resources for countries that have not yet reached completion point |
| | Nine eHIPC countries have not reached completion point | Strengthen debt management systems | Encourage non-Paris Club official bilateral creditors and private creditors to provide comparable relief on HIPC terms for eligible outstanding debt |
| | Debt relief not available to all debt distressed countries | | Review and improve the existing Debt Sustainability Framework |
| | Cancellation of all official bilateral debt has not occurred | | Establish an orderly sovereign debt restructuring process for non-HIPCs with debt distress |
| | | | Increase bilateral resource allocations to grant assistance rather than concessional lending |
| **Essential drugs** | No specific numerical targets for the global partnership on essential drugs have been defined | Eliminate taxes and duties on essential drugs | Encourage pharmaceutical companies to reduce prices of essential medicines in developing countries where generic equivalents are not available |
| | In spite of progress in individual countries to increase access to essential drugs and treatments to fight HIV/AIDS, malaria and tuberculosis, access to essential medicines in developing countries is not adequate | Update national policy on medicines | |
| | | Update national list of essential medicines | Remove barriers to production and promote uptake of generic medicines |
| | | Adopt generic substitution policies for essential medicines | |

| | *Gap* | *National policies* | *Required global response* |
|---|---|---|---|
| | | Ensure transparent and reduced mark-ups on essential medicines<br><br>Increase availability of medicines in the public sector<br><br>Routinely monitor medicine prices to ensure affordable availability | Increase funding for research and development in medicines relevant to developing countries, including most neglected diseases |
| **Improved access to technology** | No specific numerical targets for the global partnership on technology have been defined<br><br>Despite rapid diffusion of ICT in developing countries, the digital divide between developed and developing countries is widening | Formulate national information and communications technology (ICT) strategies aligned with broader development strategies<br><br>Expand both basic infrastructure (such as electricity supply) and infrastructure facilitating ICT, especially in low-income countries<br><br>Promote the use of modern, cleaner household fuel and energy technology | Introduce flexibility into the Agreement on Trade-Related Aspects of Intellectual Property Rights to accelerate the diffusion of technology for development<br><br>Create incentives for the private sector to undertake research and development of technology relevant to development and poverty reduction in low-income countries<br><br>Apply differential pricing more widely in order to reduce costs of key technologies in developing countries and to make access affordable to all |